

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

\_\_\_\_\_  
IN THE MATTER OF: JEFFRY SCHNEIDER )  
\_\_\_\_\_) )

FILE NO. 0600150

**CONSENT ORDER OF WITHDRAWAL OF APPLICATION**

TO THE RESPONDENT:   Jeffry Schneider (CRD #:2089051)  
                              2614 Ravello Ridge  
                              Austin, Texas 78735

C/o J.P.R. Capital Corp.  
125 Michael Drive Suite 104  
Syosset, New York 11791

C/o Eric S. Hutner Attorney At Law  
Hutner Klarish LLP.  
1359 Broadway Suite 2001  
New York, New York 10018

WHEREAS, Respondent on the 27th day of June 2006 executed a certain Stipulation to Enter Consent Order of Withdrawal of Application (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, Respondent has admitted to the jurisdiction of the Secretary of State and service of the Amended Notice of Hearing of the Secretary of State, Securities Department, dated June 5, 2006 in this proceeding (the "Amended Notice") and Respondent has consented to the entry of this Consent Order of Withdrawal of Application ("Consent Order").

WHEREAS, by means of the Stipulation, the Respondent acknowledged, without admitting or denying the truth thereof, that the following allegations contained in the Amended Notice of Hearing shall be adopted as the Secretary of State's Findings of Fact:

1.     That on March 2, 2006, J.P.R. Capital Corp, a registered dealer filed a Form U-4 application for registration of the Respondent as a salesperson in the State of Illinois.

Consent Order Of Withdrawal Of Application

2

2. That on April 20, 2006, a Summary Order of Denial (the "Order") was issued by The Secretary of State denying this application. Pursuant to the terms of the Order, the Respondent requested a hearing on May 22, 2006.
3. That on May 21, 2004, NASD entered a Letter Of Acceptance Waiver And Consent (AWC) submitted by the Respondent regarding File No. C 10040059, which sanctioned the Respondent as follows:
  - a. Fine of \$15,000; and
  - b. suspended from associating with any NASD member firm for a period of Ninety (90) calendar days.
4. That the AWC made the following findings to which the Respondent neither admitted nor denied: In 2000 another individual hereinafter referred to as "Mr. V", and the Respondent were registered with NASD as General Securities Representatives through their association with CIBC. At CIBC, they worked together and had several joint customer accounts.

In or about February 2000, Mr. S and the Respondent permitted some of their joint customer accounts to be temporarily transferred to another CIBC General Securities Representative, RB, so that RB could reach a qualifying level of account assets and thereby obtain a forgivable loan from CIBC.

On or about March 1, 2000, RB received a forgivable loan from CIBC for \$138,974.16. Mr. V and the Respondent then received a portion of RB's forgivable loan proceeds. Specifically, Mr. V received at least \$7,000 and the Respondent received at least \$14,000 from RB. By reason of the foregoing, the Respondent violated NASD Conduct Rule 2110.
5. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be denied if the Secretary of State finds that such salesperson has been suspended by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization.
6. That the NASD is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.

Consent Order Of Withdrawal Of Application

3

WHEREAS, by means of the Stipulation Respondent has acknowledged, without admitting or denying the averments, that the following shall be adopted as the Secretary of State's Conclusion of Law:

That by virtue of the foregoing, the Respondent's application for registration as a salesperson in the State of Illinois is subject to denial pursuant to Section 8.E(1)(j) of the Act.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he shall cause to have his application for registration as a salesperson in the State of Illinois withdrawn within three (3) days from the entry of this Consent Order and will not re-apply for registration for a period of two (2) years from the entry of this Consent Order.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he shall be levied costs incurred during the investigation of this matter in the amount of One Thousand Five Hundred dollars (\$1,500.00). Said amount has been paid by certified or cashier's check, made payable to the Office of the Secretary of State, Illinois Audit and Enforcement Fund.

WHEREAS, by means of the Stipulation Respondent has acknowledged and agreed that he has submitted with the Stipulation an attorney's check in the amount of One Thousand Five Hundred dollars (\$1,500.00) to cover costs incurred during the investigation of this matter. Said check has been made payable to the Office of the Secretary of State, Illinois Audit and Enforcement Fund.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceedings.

NOW THEREFORE IT SHALL BE AND IS HEREBY ORDERED THAT:

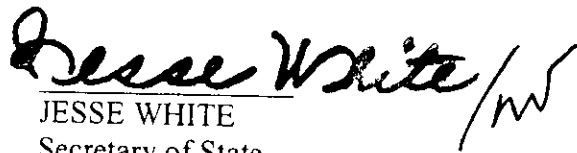
1. The Respondent shall cause to have his application for registration as a salesperson in the State of Illinois withdrawn within three (3) days from the entry of this Consent Order and will not re-apply for registration for a period of two (2) years from the entry of this Consent Order.
2. The Respondent is levied costs of investigation in this matter in the amount of One Thousand Five Hundred dollars (\$1,500.00), payable to the Office of the Secretary of State, Illinois Audit and Enforcement Fund, and on June 27th 2006 has submitted One Thousand Five Hundred dollars (\$1,500.00) in payment thereof.

Consent Order Of Withdrawal Of Application

4

3. The Summary Order of Denial entered on April 20, 2006 is vacated.
4. The formal hearing scheduled on this matter is hereby dismissed without further proceedings.

ENTERED This 28<sup>th</sup> day of June 2006.

  
JESSE WHITE  
Secretary of State  
State of Illinois